

Thomas-Jensen Affirmation

Exhibit # 74

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF RHODE ISLAND

STATE OF NEW YORK, et al.,

Plaintiffs,

C.A. No. 25-cv-39-JJM-PAS

v.

**DECLARATION OF
ELIZABETH HERTEL
(MICHIGAN)**

DONALD TRUMP, et al.,

Defendants.

I, ELIZABETH HERTEL, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true and correct:

1. I am the Director the Michigan Department of Health and Human Services (MDHHS).

2. Through my role, I have personal knowledge of the matters set forth below or have knowledge of the matters based on my review of information and records gathered by my staff.

Michigan Department of Health and Human Services

3. MDHHS is responsible for providing services and administering programs to improve the health, safety, and prosperity of the residents of the state of Michigan.

4. MDHHS receives federal funds from various federal agencies, including the Department of Health and Human Services (HHS), United States

Department of Agriculture (USDA), Environmental Protection Agency (EPA), among others.

5. MDHHS receives approximately \$26.6 billion from the federal government each year, which accounts for approximately 71% of MDHHS's budget.

6. For fiscal year 2025, the ten largest grant programs that MDHHS receives federal financial assistance include:

Program name	Associated Federal Agency	FY 25 Allocation
Title XIX Medicaid	HHS/CMS	\$19,860,169,100
Supplemental Nutrition Assistance Program (SNAP)	USDA/FNS	\$3,238,231,400
Temporary Assistance for Needy Families Block Grant (TANF)	HHS/ACF	\$772,794,194
Title XXI Children's Health Insurance Program (CHIP)	HHS/CMS	\$314,040,100
Title IV-E Foster Care and Adoption	HHS/ACF	\$267,702,700
Low Income Home Energy Assistance Program (LIHEAP)	HHS/ACF	\$165,572,900
Title IV-D Child Support	HHS/ACF	\$163,448,900
Women, Infants, Children (WIC) Supplemental Nutrition Program	USDA/FNS	\$129,465,300
Social Security Disability Insurance	SSA	\$104,079,600
Social Services Block Grant	HHS/ACF	\$42,966,738

7. MDHHS partners with federal agencies on 130 different programs. In 2024, federal funds helped support 3 million people in Michigan receiving assistance to put food on the table, cover child care costs, get needed medical attention and keep utilities on at home. Federal funds allowed MDHHS to be able to respond to 205,383 calls, texts, and chats from individuals needing behavioral health crisis support as well as providing health care coverage for 3.3 million people, including 1.2 million children in Michigan.

Impacts of a pause in federal funding

8. Any pause in our federal funding would severely impact the health and human services provided to Michigan residents, negatively impact the well-being of individuals across the state, and result in long-term financial burdens to the state.

9. In addition, the lack of clarity and direction caused by the uncertainty of funding has resulted in numerous stakeholders calls and requests seeking guidance, taking away from the focus of providing quality services.

10. In the next 2 months, MDHHS is estimated to receive disbursements of \$4.2 billion under its current federal grants. These funds have been awarded or allotted, but have not been spent down and drawn from our federal accounts.

11. The majority of disbursement dollars are requested weekly, including Medicaid, and timed to match incoming federal funds to outgoing payments. If we do not receive such disbursements, it will cause cash flow issues and require existing, limited cash balances to fund outgoing expenses. Once these cash balances run dry, MDHHS would be unable to fund and operate its critical programs, including Medicaid, SNAP, child welfare, public health, etc.

12. On January 28, 2025, MDHHS received memos from the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Justice (DOJ) that stated payments would be cut off as of 5:00 p.m. that day. The DOJ notice stated the federal payment system, Automated Standard Application for Payments (ASAP), would display an error when accessed. HUD issued a new memo

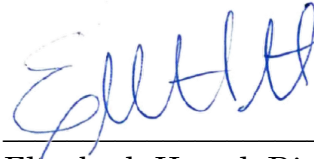
on January 29, 2025, rescinding the previous memo. DOJ did not send any rescission, but the stated system error never occurred.

13. Over the last two weeks, MDHHS experienced multiple atypical delays in receiving federal funding. For example, MDHHS requested its standard weekly disbursement from the U.S. Department of Energy (DOE) for the Weatherization Assistance Program grant on January 29, 2025, through the ASAP system. The weekly disbursement is approximately \$300,000. In response to the January 29, 2025 request, an error message was received. The ASAP system then required MDHHS to enter the draw in a different format than what is typically used, and once the draw was successfully submitted, the status was set to “on hold pending agency review.” As of February 5, 2025, the status is still “awaiting FPA approval.” To date, MDHHS has not received two weekly disbursements under this grant, totaling approximately \$600,000, requiring MDHHS to rely on state cash to fund the services under this grant.

14. Similarly, draws for the Public Health and Hospital Preparedness grants requested on January 24, 2025, and expected January 27, 2025, from the Center for Disease Control and Prevention (CDC) and the Administration for Strategic Preparedness and Response (ASPR) were delayed by two days and received on January 29, 2025. No communication was sent by the federal agencies addressing the delay. While MDHHS was able to avoid reducing services as a result of this delay, additional future delays may reduce services.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Dated: February 5, 2025



Elizabeth Hertel, Director
Michigan Department of Health and
Human Services